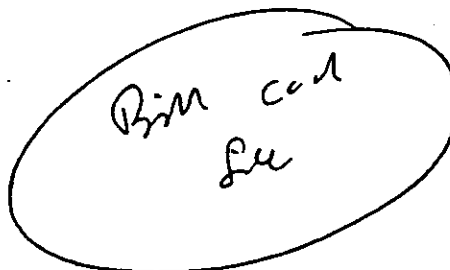


Subj: Fw: ****IMPORTANT E-MAIL**** Re: Conference Call with Richard Scrushy & Bill Owens - TODAY
Date: 7/29/2002 3:00:01 PM Central Daylight Time
From: Sean.Huffman@healthsouth.com
To: huvco@aol.com
Sent from the Internet ([Details](#))

Print, please.

Michael Sean Huffman MS, ATC, PT
Senior Vice President
HEALTHSOUTH Corporation



—Original Message—

From: Doyle, Mike <Mike.Doyle@healthsouth.com>
To: Huffman, Sean <Sean.Huffman@healthsouth.com>
Sent: Sat Jul 27 11:41:18 2002
Subject: RE: ****IMPORTANT E-MAIL**** Re: Conference Call with Richard Scrushy & Bill Owens - TODAY

RMS Conference call

- Discussed current financial situation of the company, stock price at 7 and change at the time.
- RMS discussed the capital market being closed down, but our foresight with our bond offering has us way ahead of the competition and allows us to be in control of our capital situation.
- P/E ratio is at 7.62 which is much better than anyone in our business.
- Overall we are in a better position then we have ever been when our stock has turned for the worst.
- Rumors of RMS not willing to sign financials is not true and unfounded.
- Need to continue to work hard and smart and focus on proving Wall Street wrong.

Bill Owens call:

- Reviewed RMS call and stock issues. Discussed street not having faith in our ability and our need to prove them wrong.
- EXPENSE control. We have to get a handle on this and evaluate where we are spending money and is it worthwhile.
- Under performing markets need to be fixed or.....
- Salary expense needs to be tightly controlled.
- Focus on a hard finish to 2002.
- Coming close to the point of being concerned re: expenses.

LT call Friday 4 pm

- CMS group therapy guidelines will affect our operations and we need to ensure our practices are sensitive to the new requirements.
- Document to be released to detail the changes and explain the rule this weekend or Monday.
- Hint to all to focus on Bill's focus Expenses.\

I am treating Downtown and will complete the update later today on Mobile and Med Center.

—Original Message—

From: Huffman, Sean
Sent: Friday, July 26, 2002 7:50 PM
To: Doyle, Mike
Subject: Re: ****IMPORTANT E-MAIL**** Re: Conference Call with Richard

Monday, July 29, 2002 America Online: Huvco

HHEC 559-0245
Confidential Treatment
Requested by HealthSouth Corp.